



DEPARTMENT OF STATE

BRIEFING MEMORANDUM

S/S

August 18, 1975



To:

The Secretary

From: PA - John E. Reinhardt

Nigeria After the Coup of July 28

This memorandum is presented in response to your request of August 14. It is concerned with the nature of the new government, its prospects, and continuing American interests.

The New Leadership

The leader of the coup against General Yakubu Gowon is an erratic, vainglorious, impetuous, corrupt, vindictive, intelligent, articulate, daring Hausa. Brigadier Murtala Muhammed was a prime force in the Nigerian coup of July, 1966, which brought Gowon to power, and is one of the two principal plotters against Gowon for the past two years. He commanded a division during the Nigerian civil war, was involved in the only documented cases of genocide, won one important battle, and thereafter coasted for upwards of two years until Gowon finally removed him from command and placed him in charge of Army signals, a position which he held until last month, though he combined his military role with the civilian position of Commissioner (Minister) of Communications from July, 1973, until the coup.

Muhammed inherits from Gowon vast petroleum resources (potentially 3-3.5 million BPD, based on known reserves), considerable but neglected agricultural wealth, tremendous but untapped natural gas reserves, other minerals (coal, tin, columbite, uranium), by African standards an excellently trained civil service, and the dubious asset of eighty million people.





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To match his assets, Muhammed also inherits - and has contributed to - a tradition of corrupt civilian and military officials, urban problems second only to those of Calcutta, drift and inepitude in development, insoluble but containable ethnic problems, and a national temperament which combines pride, aggressiveness, arrogance and patriotism into a brand of xenophobia best labeled Nigerianism.

Prospects for Survival

Almost six years after the civil war, Muhammed is probably ushering in a period of coups. As a corrupt Hausa, he automatically attracts Ibo and Yoruba enmity, which he knows and has attempted to reduce by early appointments. As a Northerner and a Muslem, he will be expected to consolidate once and for all the leadership role which his fifty million brothers are certain is theirs. Muhammed will agree, of course, but will seem to the Hausas to vacillate as he sings "One Nigeria."

While there is no reason to believe that he can approach Gowon's success in accommodating ethnic rivalries, there is also no reason to think that he will be any more successful in rapidly developing the country, and rapidity is the great need if he is to avoid Gowon's political problems stemming from stymied development. Money is obviously plentiful, but absorptive capacity is low (corruption, unrealistic planning, confused priorities, and a demonstrated reluctance to turn to the outside).

Finally, Muhammed and his co-plotter and now deputy, Brigadier Olusegun Obasanjo, are the most militant of Nigerian military leaders on the Southern African question. Gowon and his principal lieutenants burned with the rage of all Africans when considering this issue, but they were realistic. Muhammed and Obasanjo are advocates of a NATO-type military command within the OAU having the avowed objective of strengthening liberation movements. More responsibility may bring more realism. On the other hand, formidable ethnic and developmental problems could convince the new leadership that they should deal repressively with the domestic scene while joining militant





Arabs and Africans in organizing a Pan African jihad for liberation. (A large Libyan delegation visited Lagos last week.) Muhammed and Obasanjo are unlikely to bring any more inspiration to this enterprise than Nkrumah and Amin. At any rate they do not enhance their prospects for survival by any launchings on this uncharted course. Yorubas and Ibos, at least, will be disinclined to travel with them.

Nature of American Interests

An early but undocumented and probably inaccurate assessment is that certainly Muhammed and perhaps Obasanjo are anti-American. I believe that this initial reaction is based on no more than an unfortunate U.S. visa restriction entered in Muhammed's passport and Obasanjo's impulsive move to evict our Embassy from prime Lagos property. Nigerian leadership is far more pro-Nigerian than anti- any cause or country, which is the essence of Nigerianism.

Still, we can probably do little or no political business with the new regime, which of course does not distinguish it from the old. We are simply too far apart on the political issues which they exalt, mainly Southern Africa and the whole range of UN controversies. (The Communist countries have no better political opportunities, unless they foment and become involved in the jihad scheme, which I believe to be as imprudent for them as for us.)

It is in the economic-commercial area that the USG will have greatest opportunities. Even in this area it is the private sector, motivated by the USG, which is in the best position to advance our interests. And it is in this area that Muhammed has demonstrated some responsiveness.

When the corrupt Muhammed succeeded the more corrupt J. S. Tarka as Commissioner of Communications, he immediately perceived that at least the telephones must operate properly if his fate were to be any different from Tarka's. American businessmen, in extended conversations with me, described Muhammed as being un-Nigerian in his acceptance of their proposals. Specifically GTE and ITT were close to multi-million dollar contracts when





Muhammed turned from communications to plotting. (These deals have all the earmarks of Ashland and Mobil Oil arrangements, which is another problem. The point is that they are deals in a country where Americans have not

enjoyed much success outside the petroleum sector.)

Muhammed is intelligent enough to realize that he cannot survive unless he can convert oil revenues into tangible development. Among his considerable faults is not Idi Arminian stupidity. His questionable maneuverings as Commissioner reveal a respect for American technology and a realization that capital markets do not begin and end in London. (British and Canadian communications interests have absorbed Nigerian revenues for years without producing a workable system. Other fields point up similar examples, as USG policy has deferred to a British sphere of influence.)

What we badly need, to put it bluntly, is focused American investment and economic penetration of Nigeria. The planes between New York and Lagos are filled with American businessmen, most of whom return frustrated because their proposals are a part of no plan other than their own. Our AID program, even when it received substantial appropriations, demonstrated the same shortcoming.

It ought not be beyond USG ingenuity to organize appropriate sectors of American private industry to spend Nigerian money to gain perceptible development in response to Nigeria's economic and Muhammed's political (survival) needs. Emphasis is on the U.S. private sector: (1) USG foreign assistance funds cannot be appropriated and are not needed; (2) USG political closeness to the Muhammed regime is probably unobtainable and undesirable.

RECOMMENDATIONS

1. Determine critical Nigerian development areas in which American private industry can make unique and mutually advantageous contributions. Organize a high level economic-commercial mission with demonstrated technological skills in these areas, and send this mission to Nigeria, after proper advance preparations here and there.





- 2. Avoid even semblances of close political ties to the incumbent Nigerian leadership, until and unless it proves more durable than now seems likely.
- 3. Gradually phase small AID mission into Embassy Economic Section, which should be staffed with carefully selected State/AID personnel competent to foster and continue objective of Recommendation 1.
- 4. Maintain discreet, friendly State ties with Gowon, though avoiding commitments. After another coup or two, probably bloody, Gowon may seem more and more to be the indispensable military leader, or at least the only acceptable one.

PA:JER/cc

